Claims:

1. A method for conducting a financial transaction using an integrated circuit device issued by a device issuer, associated with an account and capable of conducting off-line and on-line transactions with a payment card network, comprising:

(a) providing said integrated circuit device with a pre-authorized limit representing the maximum value which may be utilized with said device for at least one off-line transaction without communication with said payment network for authorization of said transaction;

(b) storing on said integrated circuit device a pre-authorized balance representing the value of transactions conducted with said device without on-line communication with said payment network for authorization of said transaction;

(c) utilizing said device for conducting said transaction and reading from said device said pre-authorized balance, said pre-authorized limit, and an account number associated with said account;

(d) determining to initiate an on-line authorization request in the event the value of said transaction is greater than the difference between said pre-authorized limit and said pre-authorized balance;

(e) as a function of step (d), initiating an on-line authorization request by communicating with said payment network; and

(f) receiving authorization to conduct said transaction and updating by said device said pre-authorized balance and said pre-authorized limit, wherein the device issuer, through said integrated circuit device, is able to update the pre-authorized limit.

2. The method of claim 1, wherein the device issuer, through said integrated circuit device, is able to update the pre-authorized balance.

3. The method of claim 2, wherein the device issuer updates the pre-authorized balance to be zero.

4. The method of claim 2, wherein the device issuer updates said pre-authorized limit and said pre-authorized balance as a function of at least one of said transaction, use of said account and a balance associated with said account.

5. The method of claim 1, wherein the device issuer updates the pre-authorized limit as a function of at least one of said transaction, use of said account and a balance associated with said account.

6. The method of claim 1, further comprising the steps of:

(g) receiving a denial prohibiting said transaction and updating by said device said pre-authorized balance and said pre-authorized limit, wherein the device issuer, through said integrated circuit device, is able to update the pre-authorized limit.

7. The method of claim 1, further comprising the step of:

(h) denying said transaction if the integrated circuit device is unable to communicate at least one of said account number, said pre-authorized balance and said pre-authorized limit to the device issuer and receive an authorization from the device issuer.

8. The method of claim 1, wherein said pre-authorized balance and said pre-authorized limit are compliant with an EMV integrated circuit card specification for payment systems.

9. The method of claim 1, wherein the pre-authorized balance is an upper cumulative offline transaction amount of M-Chip pre-authorized.

10. A system for conducting a financial transaction using an integrated circuit device issued by a device issuer, associated with an account and capable of conducting off-line and on-line transactions with a payment card network, comprising:

said device issuer providing said integrated circuit device with a pre-authorized limit representing the maximum value which may be utilized with said device for at least one off-line transaction without communication with said payment network for authorization of said transaction;

a point of sale terminal capable of conducting transactions utilizing at least one of said integrated circuit device and said device issuer, wherein said point of sale terminal is in data communication with said device issuer through said payment card network;

said integrated circuit device including a memory unit and a processing unit, wherein said memory unit storing a pre-authorized balance, said pre-authorized limit, and an account number associated with said account, wherein said pre-authorized balance representing the value of transactions conducted with said device without on-line communication with said payment network for authorization of said transaction and wherein said processing unit is in communication with the memory unit and is responsive to a request to purchase at least one good or service, which request causes the processing unit to read from said memory unit said pre-authorized balance, said pre-authorized limit, and said account number, determine whether to initiate an on-line authorization request in the event the value of said transaction is greater than the difference between said pre-authorized limit and said pre-authorized balance, initiate, as a function of the determination, an on-line authorization request by communicating with said payment network, and receive authorization to conduct said transaction and update by said device said pre-authorized balance and said pre-authorized limit, wherein said device issuer, through said integrated circuit device, is able to update the pre-authorized limit.

11. The system of claim 10, wherein the memory unit includes a country field, wherein the country field indicates the country in which the integrated circuit device was issued.

12. The system of claim 10, wherein the memory unit includes a currency code field, wherein the currency code field indicates the currency in which the integrated circuit device was issued.

13. The system of claim 10, wherein said processing unit denies the purchase of the at least one good or service if the difference between the pre-authorized limit field and the pre-authorized balance field is less than the value of the at least one good or service, and the purchase terminal receives a denial from an issuer of the integrated circuit device, receives another monetary value from the issuer of the integrated circuit device, and updates the pre-authorized limit to represent the another monetary value and the pre-authorized balance to represent a monetary value of zero.

14. The system of claim 10, wherein said memory unit of said integrated circuit device includes an indication of a result from at least one cardholder verification method.

15. The system of claim 14, wherein the processing unit of said integrated circuit device does not request authorization from said issuing entity until the terminal provides a code matching the indication of a result from at least one cardholder verification method.

16. The system of claim 10, wherein the pre-authorized balance is an upper cumulative offline transaction amount of M-Chip pre-authorized.

17. An integrated circuit device for conducting a financial transaction, issued by a device issuer, associated with an account and capable of conducting off-line and on-line transactions with a payment card network, comprising:

a memory unit storing a pre-authorized balance, a pre-authorized limit, and an account number associated with said account, wherein said device issuer providing said memory unit with said pre-authorized limit representing the maximum value which may be utilized with said device for at least one off-line transaction without communication with said payment network for authorization of said transaction, and wherein said pre-authorized balance representing the value of transactions conducted with said device without on-line communication with said payment network for authorization of said transaction; and

a processing unit in communication with the memory unit, wherein said processing unit is responsive to a request to purchase at least one good or service, which request causes the processing unit to read from said memory unit said pre-authorized balance, said pre-authorized limit, and said account number, determine whether to initiate an on-line authorization request in the event the value of said transaction is greater than the difference between said pre-authorized limit and said pre-authorized balance, initiate, as a function of the determination, an on-line authorization request by communicating with said payment network, receive authorization to conduct said transaction and update by said device said pre-authorized balance and said pre-authorized limit, wherein said device issuer, through said integrated circuit device, is able to update the pre-authorized limit.

18. The integrated circuit device of claim 17, wherein said device updates said pre-authorized balance to be equal to zero.

19. The integrated circuit device of claim 17, wherein the processing unit receives a denial prohibiting said transaction and updating by said device said pre-authorized

balance and said pre-authorized limit, wherein the device issuer, through said integrated circuit device, is able to update the pre-authorized limit.

20. The integrated circuit device of claim 17, wherein said pre-authorized balance and said pre-authorized limit are compliant with an EMV integrated circuit card specification for payment systems.

21. The method of claim 17, wherein the pre-authorized balance is an upper cumulative offline transaction amount of M-Chip pre-authorized.

22. A method for conducting a financial transaction using an integrated circuit device issued by a device issuer, associated with an account and capable of conducting off-line and on-line transactions with a payment card network, comprising:

(a) providing said integrated circuit device with a pre-authorized limit representing the maximum value which may be utilized with said device for at least one off-line transaction without communication with said payment network for authorization of said transaction and a country identification code representing the country in which said integrated circuit device was issued;

(b) storing on said integrated circuit device a pre-authorized balance representing the value of transactions conducted with said device without on-line communication with said payment network for authorization of said transaction;

(c) utilizing said device for conducting said transaction and reading from said device said pre-authorized balance, said pre-authorized limit, and an account number associated with said account;

(d) determining to initiate an on-line authorization request if a country code associated with a terminal is different than said country code of said integrated circuit device;

(e) as a function of step (d), initiating an on-line authorization request by communicating with said payment network; and

(f) receiving authorization to conduct said transaction and updating by said device said pre-authorized balance and said pre-authorized limit, wherein the device issuer, through said integrated circuit device, is able to update the pre-authorized limit.

23. A method for conducting a financial transaction using an integrated circuit device issued by a device issuer, associated with an account and capable of conducting off-line and on-line transactions with a payment card network, comprising:

(a) providing said integrated circuit device with a pre-authorized limit representing the maximum value which may be utilized with said device for at least one off-line transaction without communication with said payment network for authorization of said transaction and a country identification code representing the country in which said integrated circuit device was issued;

(b) storing on said integrated circuit device a pre-authorized balance representing the value of transactions conducted with said device without on-line communication with said payment network for authorization of said transaction;

(c) utilizing said device for conducting said transaction and reading from said device said pre-authorized balance, said pre-authorized limit, and an account number associated with said account;

(d) prompting a device holder to specify a desired pre-authorized amount;

(e) determining to initiate an on-line authorization request if said device holder specified said desired pre-authorized amount;

(f) as a function of step (e), initiating an on-line authorization request by communicating with said device issuer; and

(g) receiving a response from said device issuer updating by said device said pre-authorized balance and said pre-authorized limit, wherein the device issuer, through said integrated circuit device, is able to update the pre-authorized limit and the pre-authorized balance such that the difference between the pre-authorized limit and the pre-authorized balance is equal to the desired pre-authorized amount.